

Exhibit A

**SUMMARY OF OBJECTIONS TO SECOND SUPPLEMENT TO KECP MOTION
(DOCKET NO. 213) SEEKING AUTHORITY TO CONTINUE AIP FOR FIRST HALF OF 2007**

Objection	Objector(s)	Response
The Debtors did not consult with the labor unions with respect to continuing the AIP for the first half of 2007.	UAW (7325) IUE-CWA (7335) IBEW, IAM, and IUOE (7324)	The terms and conditions of the AIP were approved by the independent Compensation Committee of Delphi's Board, deemed reasonable by the Debtors' compensation consultant, and vetted with and approved by the Creditors' Committee, together with its financial advisors and compensation consultant. There is no requirement that the Debtors take the additional step of consulting with the unions.
The Debtors did not share the Preliminary Business Plan with the unions.	IBEW, IAM, and IUOE (7324)	The Debtors provided the unions with a presentation detailing the Preliminary Business Plan's financial forecast for the first half of 2007 on March 20, 2007.
It is inappropriate to reward executives at the same time the Debtors are asking union-represented workers to make sacrifices.	UAW (7325) IUE-CWA (7335) USW (7326) IBEW, IAM, and IUOE (7324)	The AIP and the Debtors' labor-transformation objectives are both designed to implement competitive compensation practices for all employees, and all parties benefit when the Debtors achieve the performance targets established by the AIP.

Continuing the AIP will make it more difficult for the Debtors reach a consensual agreement with the unions.	UAW (7325) IUE-CWA (7335) USW (7326) IBEW, IAM, and IUOE (7324)	The AIP is separate from the issues in the labor negotiations, and the outcome of one should not affect the outcome of the other.
The Preliminary Business Plan includes inaccurate assumptions regarding the timing of achieving a labor transformation and support from GM.	IBEW, IAM, and IUOE (7324)	The Debtors will adjust their actual financial results to the extent the outcome of the negotiations with the unions and GM differ from the assumptions in the Preliminary Business Plan. As such, any inaccuracy will not affect the incentive compensation awarded under the AIP.
The Debtors seek to set financial performance targets for the first half of 2007 at their discretion.	IBEW, IAM, and IUOE (7324)	As explained in the Second Supplement, the Debtors' division-level targets (but not the corporate-level target) are subject to normal-course adjustments as income/expense held at the corporate level during the formulation of the Preliminary Business Plan is allocated to the divisions. The Debtors have informed the Creditors' Committee of these adjustments and will share the updated targets with the Creditors' Committee as soon as they become available.

The Debtors have not explained how their financial results will be adjusted to ensure that the AIP does not reward participants based on the outcome of negotiations with the unions and GM.	UAW (7325)	For purposes of calculating financial results under the AIP, the Debtors will make a dollar-for-dollar adjustment to the extent that the outcome of the negotiations with the unions and GM differ from the assumptions in the Preliminary Business Plan.
The fact that a portion of the performance period has already elapsed makes it easier to achieve the performance targets and reduces the AIP's incentive effect.	IUE-CWA (7335)	The financial performance targets were derived from the Preliminary Business Plan, which the Debtors began to develop in the summer of 2006, and which was approved by Delphi's Board in February 2007. The targets have been reviewed and approved by the independent Compensation Committee and the Creditors' Committee.
The AIP is a retention program.	IUE-CWA (7335) IBEW, IAM, and IUOE (7324)	The AIP is not a retention program. It does not reward Covered Employees for merely remaining on the job. Instead, the AIP provides opportunities to earn incentive compensation based on the Debtors' financial performance at the corporate and division levels and each Covered Employee's individual performance.
It is inappropriate to implement a retention program because (1) the Debtors are reducing their workforce and (2) the Debtors have not experienced difficulties attracting and retaining key employees.	IBEW, IAM, and IUOE (7324)	See response to retention point above.
Retention programs do not work and are bad for morale.	IUE-CWA (7335)	See response to retention point above.
The AIP violates section 503(c) of the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 ("BAPCPA").	IBEW, IAM, and IUOE (7324)	See response above. Furthermore, the BAPCPA does not apply to these cases because they were filed before the BAPCPA's effective date.

Further continuation of the AIP should be deferred until these chapter 11 cases are concluded.	IUE-CWA (7335) IBEW, IAM, and IUOE (7324)	The AIP furthers the Debtors' objective of providing competitive compensation practices for all employees and provides appropriate incentives to Covered Employees to achieve their individual performance goals and the Debtors' financial performance targets. None of these benefits can be realized if the AIP is deferred.
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The following parties filed objections before the objection deadline on March 19, 2007:

- International Union, United Automobile, Aerospace and Agricultural Implement Workers of America ("UAW") (Docket No. 7325)
- United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers, International Union, AFL-CIO ("USW") (Docket No. 7326)
- International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers-Communications Workers of America ("IUE-CWA") (Docket No. 7335)
- International Brotherhood of Electrical Workers Local Union No. 663 ("IBEW") (Docket No. 7324)
- International Association of Machinists and Aerospace Workers, Tool and Die Makers Local Lodge 78, District 10 ("IAM") (Docket No. 7324)
- International Union of Operating Engineers Locals 18S and 832S ("IUOE") (Docket No. 7324)

Exhibit B

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11
:
DELPHI CORPORATION, et al., : Case No. 05-44481 (RDD)
:
Debtors. : (Jointly Administered)
:
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SECOND SUPPLEMENTAL ORDER UNDER 11 U.S.C. §§ 105 AND 363
AUTHORIZING THE DEBTORS TO CONTINUE AIP FOR FIRST HALF 2007

("SECOND SUPPLEMENTAL AIP ORDER")

Upon the Second Supplement To KECP Motion (Docket No. 213) Seeking Authority To Continue AIP For First Half 2007 (the "Second Supplement"), dated March 12, 2007, of Delphi Corporation ("Delphi") and certain of its subsidiaries and affiliates, debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors"); and upon the declarations of Nick Bubnovich, John D. Sheehan, and Craig G. Naylor, each executed March 12, 2007; and after consideration of any objections to the Second Supplement filed by any party; and upon the record of the hearing held on March 22, 2007 on the relief requested in the Second Supplement, including the Court's consideration of the testimony and exhibits; and this Court having determined that the relief requested in the Second Supplement is in the best interests of the Debtors, their estates, their creditors, and other parties-in-interest; and this Court having entered an Order Under 11 U.S.C. §§ 105 And 363 Authorizing The Debtors To Implement A Short-Term Annual Incentive Program (Docket No. 2441) ("AIP Order"), dated February 17, 2006, and an Order Under 11 U.S.C. §§ 105 And 363 Authorizing The Debtors To: (A) Fix Second Half 2006 AIP Targets And Continue AIP Program And (B) Further Adjourn KECP Emergence Incentive Program Hearing (Docket No. 4660) (the "Supplemental AIP Order" and

together with the "AIP Order," the "AIP Orders")¹; and it appearing that proper and adequate notice of the Second Supplement was given and that no other or further notice is necessary; and after due deliberation thereon; and good and sufficient cause appearing therefor,

IT IS HEREBY FOUND AND DETERMINED THAT:

- A. The Debtors have exercised reasonable business judgment in seeking the authority to implement a short-term annual incentive plan ("AIP") covering the six-month period running from January 1, 2007 through June 30, 2007.
- B. The Debtors' proposal to implement the AIP covering the first half of 2007 was proposed in good faith and is in all respects fair and reasonable.
- C. It is in the best interest of the Debtors, their estates, their creditors, and parties-in-interest, and it is necessary to the Debtors' reorganization efforts, that the Debtors implement at this time an AIP for the period from January 1, 2007 through June 30, 2007.

IT IS ORDERED, ADJUDGED, AND DECREED THAT:

The AIP Order shall continue in full force and effect except as follows:

- 1. The relief requested in the Second Supplement is GRANTED.
- 2. The Court approves the implementation at this time of an AIP covering the six-month period from January 1, 2007 through June 30, 2007, and the Debtors are authorized, pursuant to 11 U.S.C. §§ 105(a) and 363(b)(1), to forthwith take all actions consistent with this Second Supplemental AIP Order that are reasonably necessary to implement an AIP for that period on the terms and conditions set forth in the AIP Orders; provided, however, that the range of incentive-compensation opportunities for Covered Employees during that period shall be

¹ The KECP Motion, as it relates to the KECP Emergence Incentive Program, has been voluntarily withdrawn from the agenda and would need to be re-noticed under the Case Management Order to be reinstated on the agenda.

determined pursuant to the payout curves attached hereto as Exhibit 1, which do not include any incentive-compensation opportunities for corporate or divisional performance that is below target. The EBITDAR target for the AIP covering the period from January 1, 2007 through June 30, 2007 shall be set at \$124.1 million. The OIBITDAR targets for the same period shall be as follows: (i) Powertrain, \$124.7 million; (ii) Steering, \$40.4 million; (iii) Thermal Systems, \$50.3 million; (iv) Electronics and Safety, \$281.3 million; (v) Electrical/Electronic Architecture, \$108.1 million; (vi) Product and Service Solution, \$5.6 million; and (vii) Automotive Holdings Group, negative \$140.4 million.

3. For purposes of the AIP covering the period from January 1, 2007 through June 30, 2007, EBITDAR and OIBITDAR shall include adjustments based on any variance between the assumptions in the Debtors' preliminary business plan for 2007 through 2011 and the terms of any agreements reached with their labor unions and/or General Motors Corporation.

4. A hearing on continuing the AIP for the performance period from July 1, 2007 through December 31, 2007 is adjourned to the July 19, 2007 omnibus hearing and shall be subject to notice to interested parties and an opportunity to object. Continuing the AIP for any additional performance period after December 31, 2007 shall be subject to notice to interested parties and an opportunity to object.

5. This Court shall retain jurisdiction over the Debtors and the Covered Employees participating in any AIP implemented pursuant to this Second Supplemental AIP Order, including without limitation for the purposes of interpreting, implementing, and enforcing the terms and conditions of any such AIP.

6. The requirement under Rule 9013-1(b) of the Local Rules for the United States Bankruptcy Court for the Southern District of New York for the service and filing of a separate memorandum of law is satisfied by the Second Supplement.

7. Capitalized terms not separately defined herein shall have the meanings ascribed to them in the AIP Orders.

Dated: New York, New York
_____, 2007

UNITED STATES BANKRUPTCY JUDGE

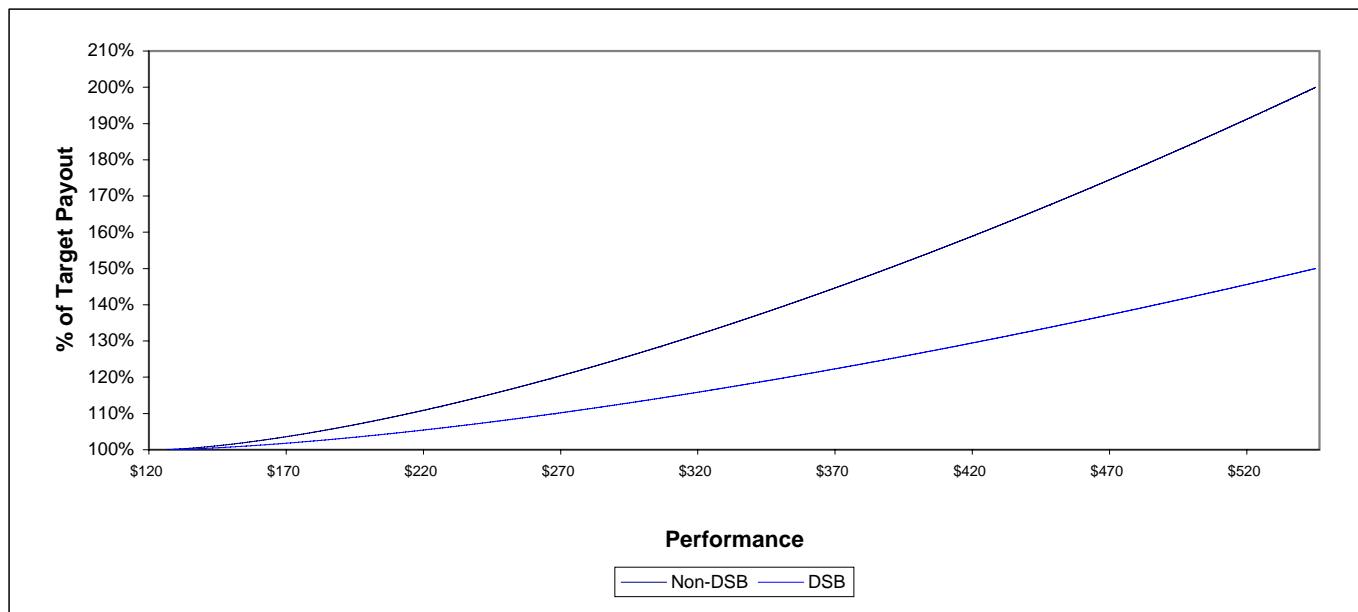
Exhibit 1

Payout Curves
AIP For First Half 2007

DELPHI CORPORATION

Proposed 1st 2007 6-month **Corporate EBITDAR AIP Payout Curve**

Non-DSB		DSB	
Payout	Performance	Payout	Performance
100%	\$124.1	100%	\$124.1
110%	\$211.5	105%	\$208.1
120%	\$265.5	110%	\$262.8
130%	\$310.5	115%	\$308.2
140%	\$350.6	120%	\$348.5
150%	\$387.4	125%	\$385.5
160%	\$421.8	130%	\$420.0
170%	\$454.3	135%	\$452.6
180%	\$485.3	140%	\$483.6
190%	\$515.0	145%	\$513.4
200%	\$545.1	150%	\$545.1

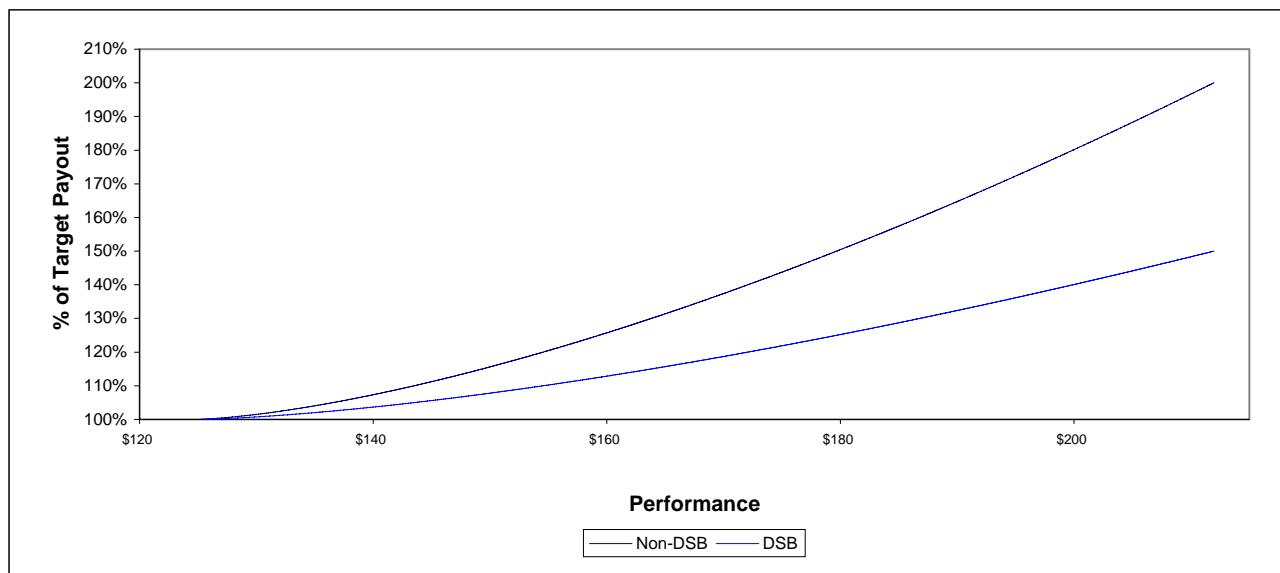


	Target	Maximum
EBITDAR	\$124.1	\$545.1
Performance %	100%	200%
Payout %	100%	200% / 150% DSB

DELPHI CORPORATION

Proposed 1st 2007 6-month **Powertrain OIBITDAR AIP Payout Curve**

Non-DSB		DSB	
Payout	Performance	Payout	Performance
100%	\$124.70	100%	\$124.70
110%	\$142.85	105%	\$142.10
120%	\$154.00	110%	\$153.45
130%	\$163.35	115%	\$162.85
140%	\$171.65	120%	\$171.20
150%	\$179.30	125%	\$178.90
160%	\$186.40	130%	\$186.05
170%	\$193.15	135%	\$192.80
180%	\$199.55	140%	\$199.20
190%	\$205.75	145%	\$205.40
200%	\$211.95	150%	\$211.95

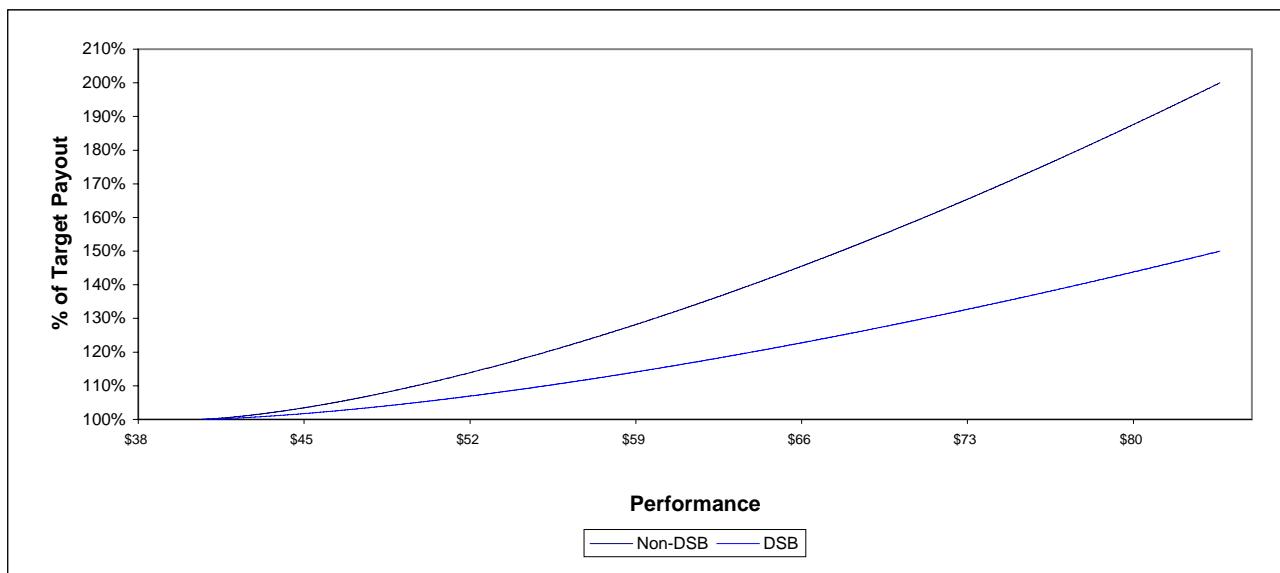


	Target	Maximum
OIBITDAR	\$124.7	\$212.0
Performance %	100%	200%
Payout %	100%	200% / 150% DSB

DELPHI CORPORATION

Proposed 1st 2007 6-month **Steering OIBITDAR AIP Payout Curve**

Non-DSB		DSB	
Payout	Performance	Payout	Performance
100%	\$40.40	100%	\$40.40
110%	\$49.40	105%	\$49.05
120%	\$54.95	110%	\$54.65
130%	\$59.55	115%	\$59.35
140%	\$63.70	120%	\$63.45
150%	\$67.45	125%	\$67.25
160%	\$71.00	130%	\$70.80
170%	\$74.35	135%	\$74.15
180%	\$77.55	140%	\$77.35
190%	\$80.60	145%	\$80.40
200%	\$83.65	150%	\$83.65

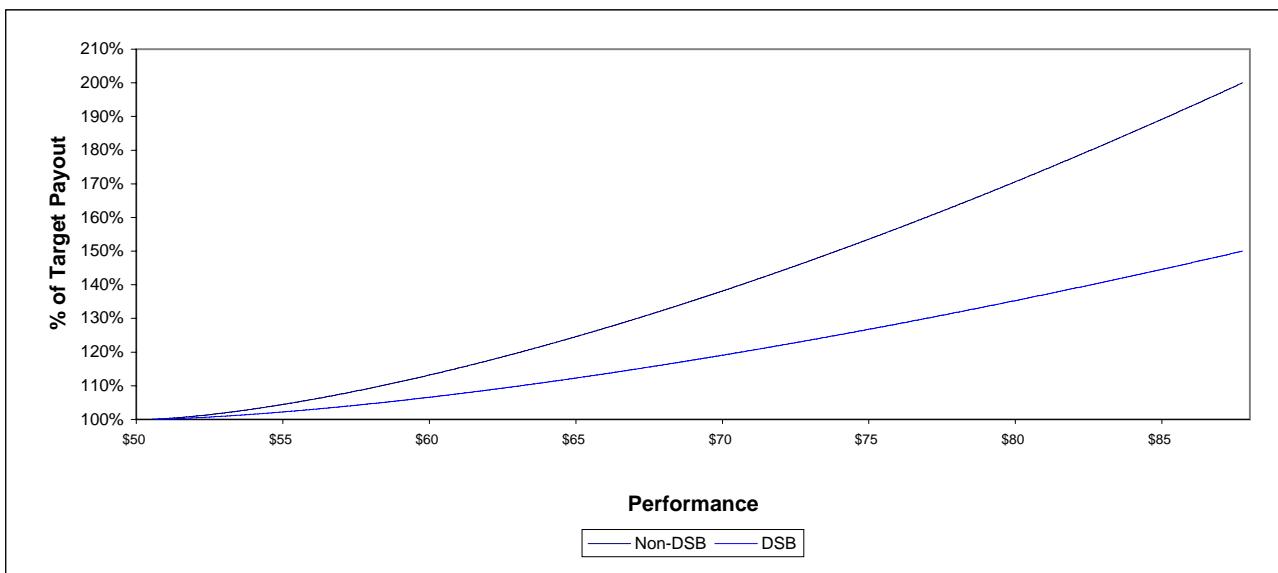


	Target	Maximum
OIBITDAR	\$40.4	\$83.6
Performance %	100%	200%
Payout %	100%	200% / 150% DSB

DELPHI CORPORATION

Proposed 1st 2007 6-month Thermal OIBITDAR AIP Payout Curve

Non-DSB		DSB	
Payout	Performance	Payout	Performance
100%	\$50.30	100%	\$50.30
110%	\$58.10	105%	\$57.80
120%	\$62.90	110%	\$62.65
130%	\$66.90	115%	\$66.70
140%	\$70.45	120%	\$70.30
150%	\$73.75	125%	\$73.55
160%	\$76.80	130%	\$76.65
170%	\$79.70	135%	\$79.55
180%	\$82.45	140%	\$82.30
190%	\$85.10	145%	\$84.95
200%	\$87.75	150%	\$87.75

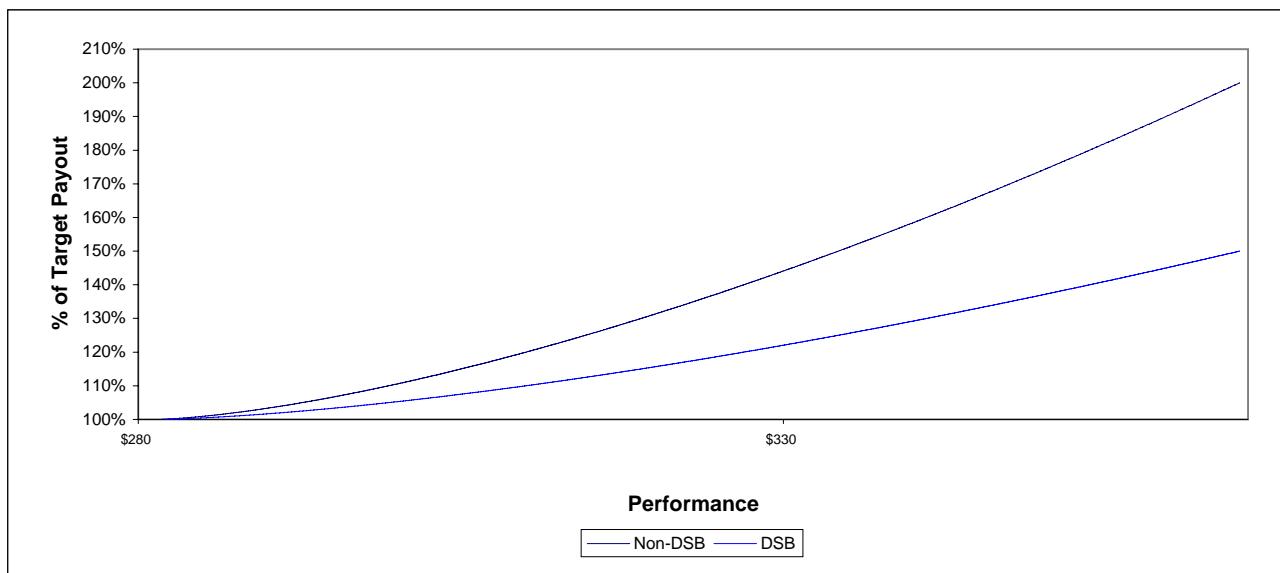


	Target	Maximum
OIBITDAR	\$50.3	\$87.7
Performance %	100%	200%
Payout %	100%	200% / 150% DSB

DELPHI CORPORATION

Proposed 1st 2007 6-month **Electronics & Safety OIBITDAR AIP Payout Curve**

Non-DSB		DSB	
Payout	Performance	Payout	Performance
100%	\$281.30	100%	\$281.30
110%	\$298.75	105%	\$298.10
120%	\$309.55	110%	\$309.00
130%	\$318.50	115%	\$318.05
140%	\$326.55	120%	\$326.10
150%	\$333.90	125%	\$333.50
160%	\$340.75	130%	\$340.40
170%	\$347.25	135%	\$346.90
180%	\$353.40	140%	\$353.10
190%	\$359.35	145%	\$359.00
200%	\$365.35	150%	\$365.35

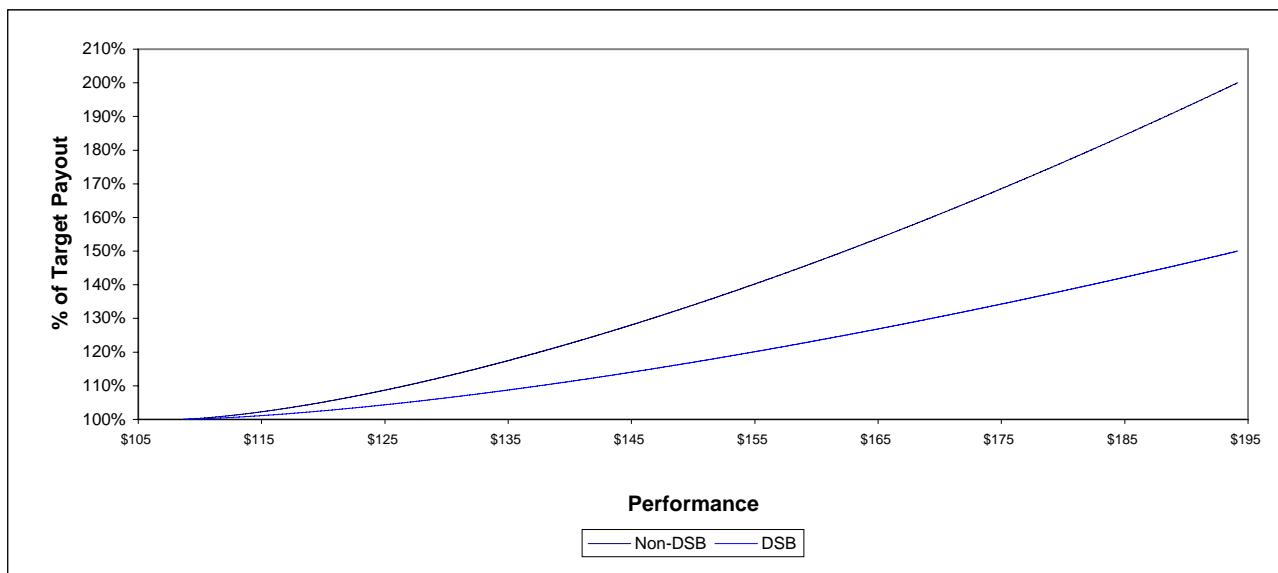


	Target	Maximum
OIBITDAR	\$281.3	\$365.4
Performance %	100%	200%
Payout %	100%	200% / 150% DSB

DELPHI CORPORATION

Proposed 1st 2007 6-month Electrical / Electronic Architecture OIBITDAR AIP Payout Curve

Non-DSB		DSB	
Payout	Performance	Payout	Performance
100%	\$108.10	100%	\$108.10
110%	\$126.00	105%	\$125.30
120%	\$137.00	110%	\$136.45
130%	\$146.20	115%	\$145.75
140%	\$154.40	120%	\$153.95
150%	\$161.95	125%	\$161.55
160%	\$168.95	130%	\$168.60
170%	\$175.60	135%	\$175.25
180%	\$181.95	140%	\$181.60
190%	\$188.00	145%	\$187.65
200%	\$194.14	150%	\$194.14

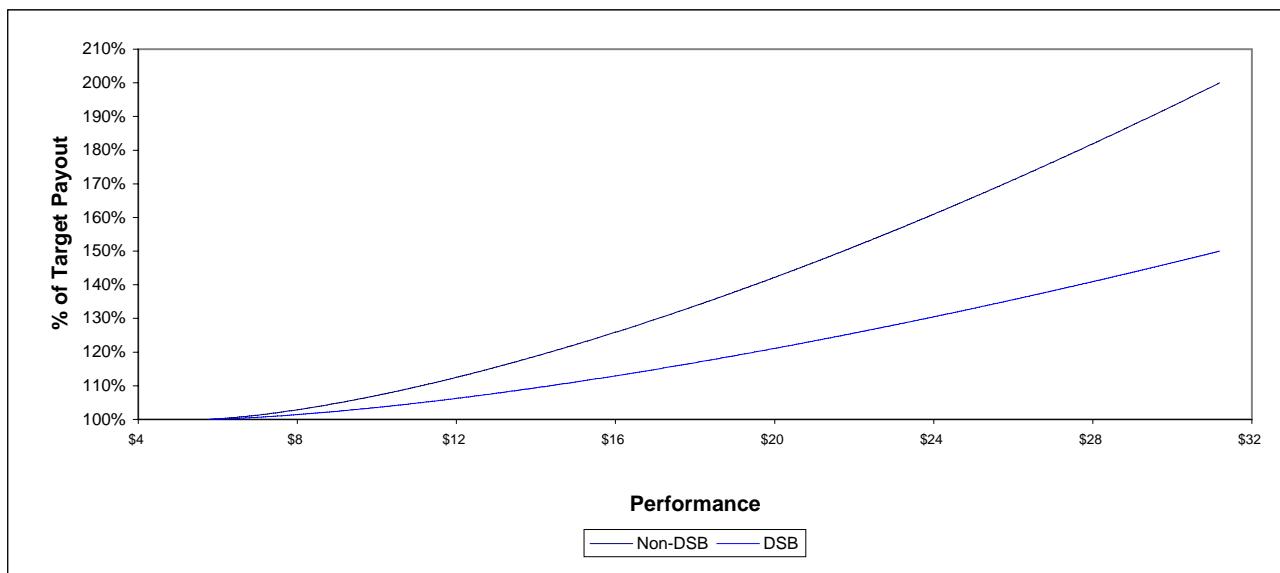


	Target	Maximum
OIBITDAR	\$108.1	\$194.1
Performance %	100%	200%
Payout %	100%	200% / 150% DSB

DELPHI CORPORATION

Proposed 1st 2007 6-month **Product Service Solutions OIBITDAR AIP Payout Curve**

Non-DSB		DSB	
Payout	Performance	Payout	Performance
100%	\$5.60	100%	\$5.60
110%	\$10.95	105%	\$10.75
120%	\$14.20	110%	\$14.05
130%	\$16.95	115%	\$16.80
140%	\$19.40	120%	\$19.25
150%	\$21.65	125%	\$21.50
160%	\$23.70	130%	\$23.60
170%	\$25.70	135%	\$25.60
180%	\$27.60	140%	\$27.50
190%	\$29.40	145%	\$29.30
200%	\$31.19	150%	\$31.19

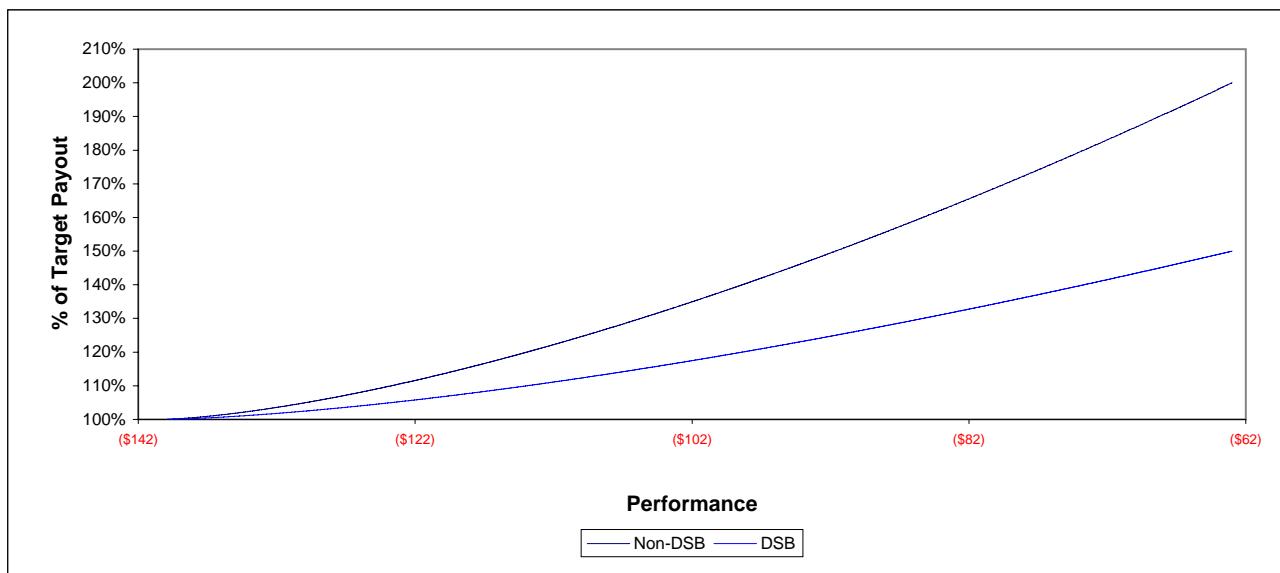


	Target	Maximum
OIBITDAR	\$5.6	\$31.2
Performance %	100%	200%
Payout %	100%	200% / 150% DSB

DELPHI CORPORATION

Proposed 1st 2007 6-month **Automotive Holdings Group OIBITDAR AIP Payout Curve**

Non-DSB		DSB	
Payout	Performance	Payout	Performance
100%	(\$140.40)	100%	(\$140.40)
110%	(\$124.30)	105%	(\$124.95)
120%	(\$114.40)	110%	(\$114.90)
130%	(\$106.10)	115%	(\$106.55)
140%	(\$98.75)	120%	(\$99.15)
150%	(\$91.95)	125%	(\$92.35)
160%	(\$85.65)	130%	(\$86.00)
170%	(\$79.65)	135%	(\$80.00)
180%	(\$74.00)	140%	(\$74.30)
190%	(\$68.50)	145%	(\$68.80)
200%	(\$63.00)	150%	(\$63.00)

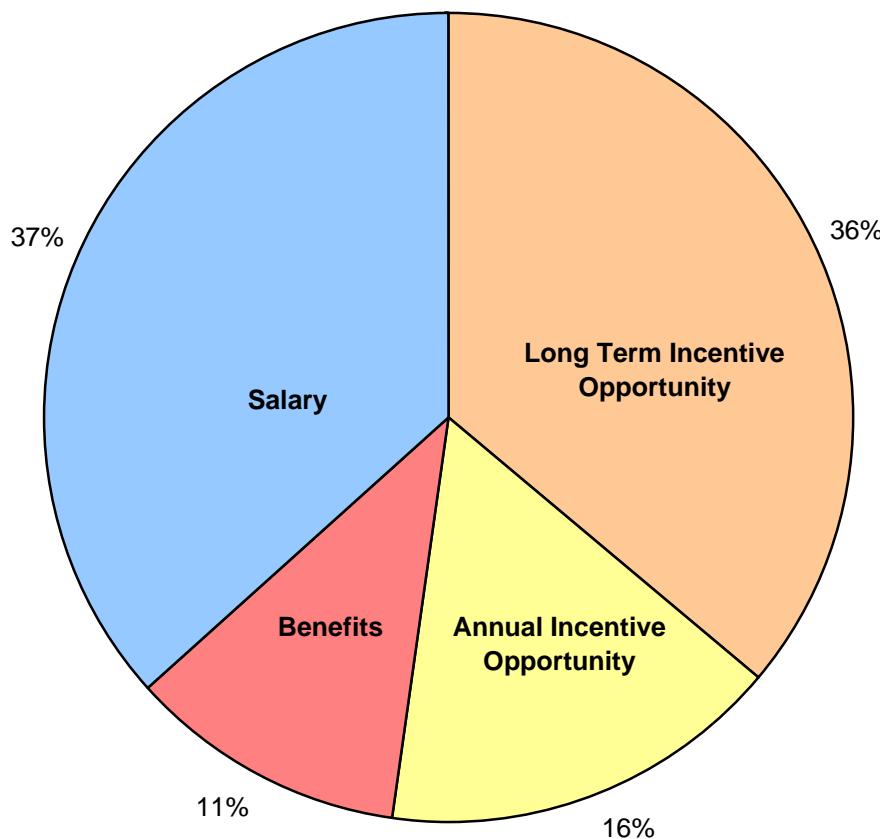


	Target	Maximum
OIBITDAR	(\$140.4)	(\$63.0)
Performance %	100%	200%
Payout %	100%	200% / 150% DSB

Exhibit C

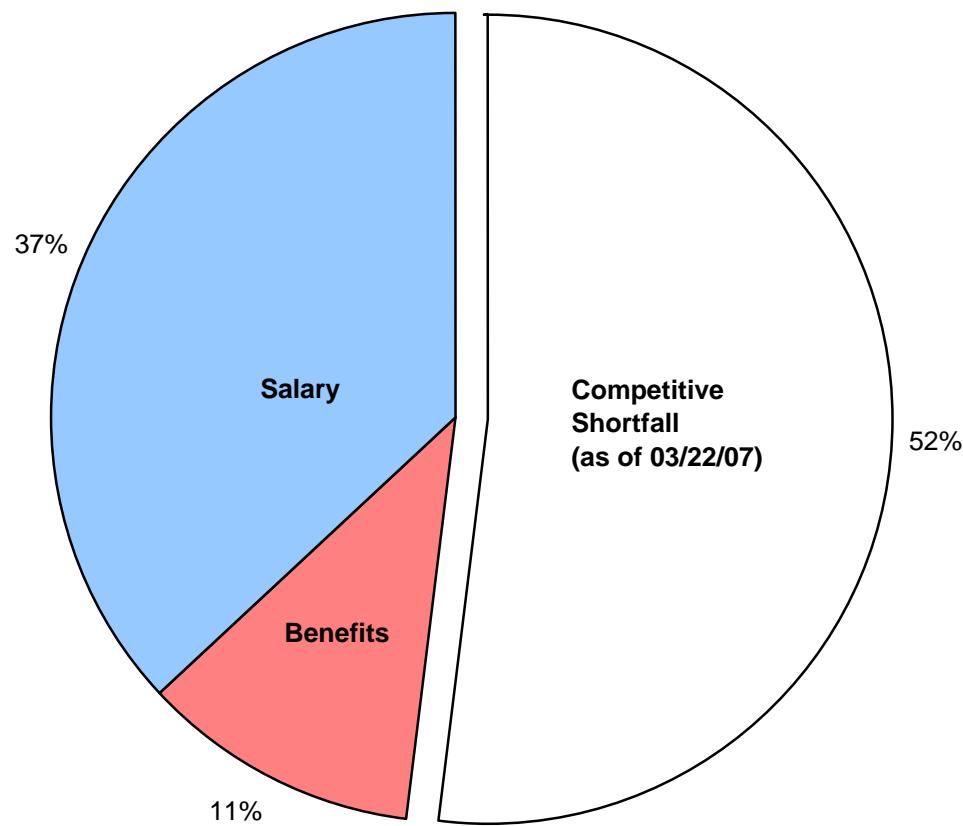
Historic Delphi Executive Compensation Structure

All Executives



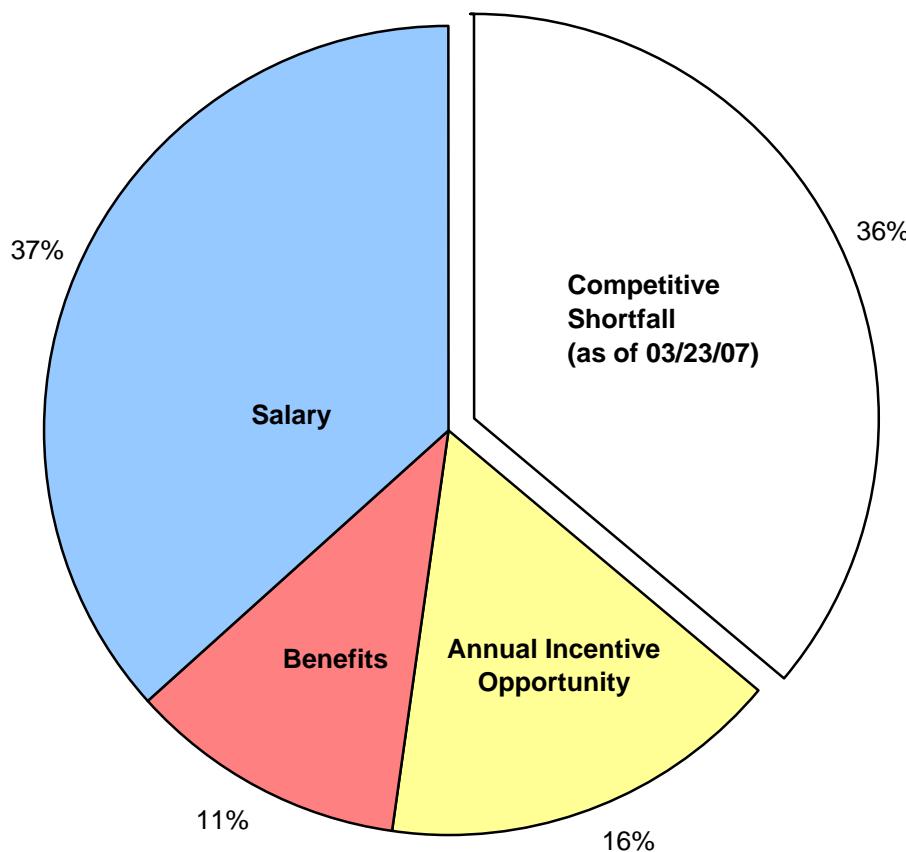
Delphi Executive Compensation Structure as of 03/22/07

All Executives



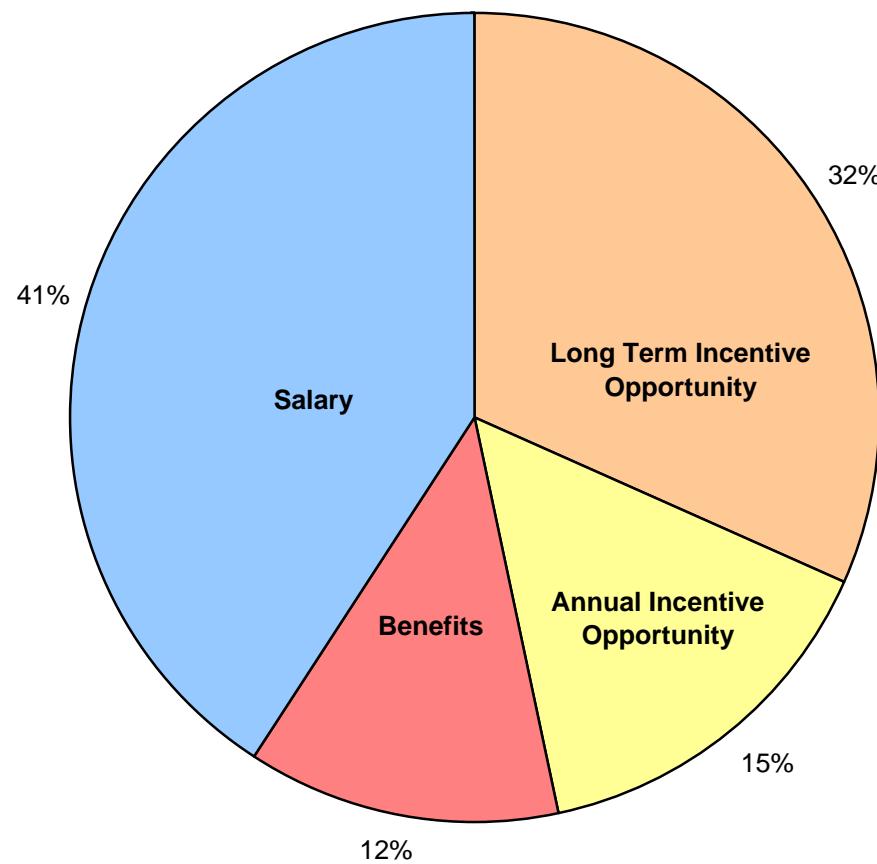
Delphi Executive Compensation Structure if First Half 2007 AIP Approved

All Executives



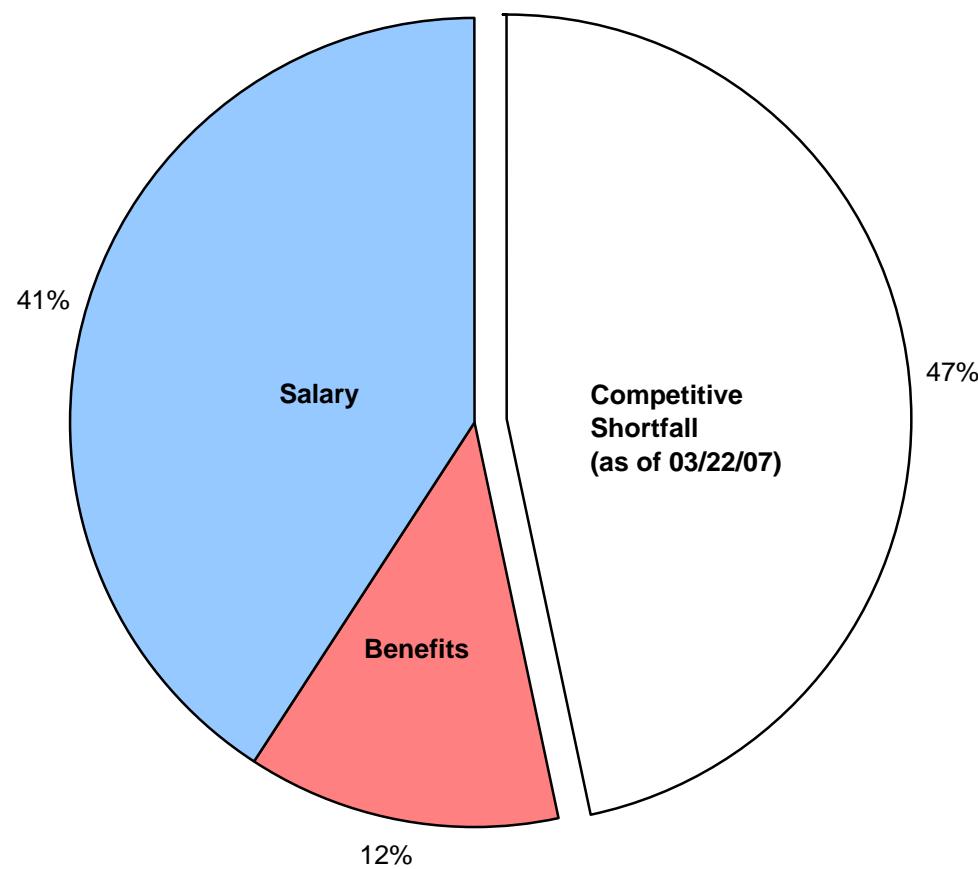
Historic Delphi Executive Compensation Structure

Non-DSB



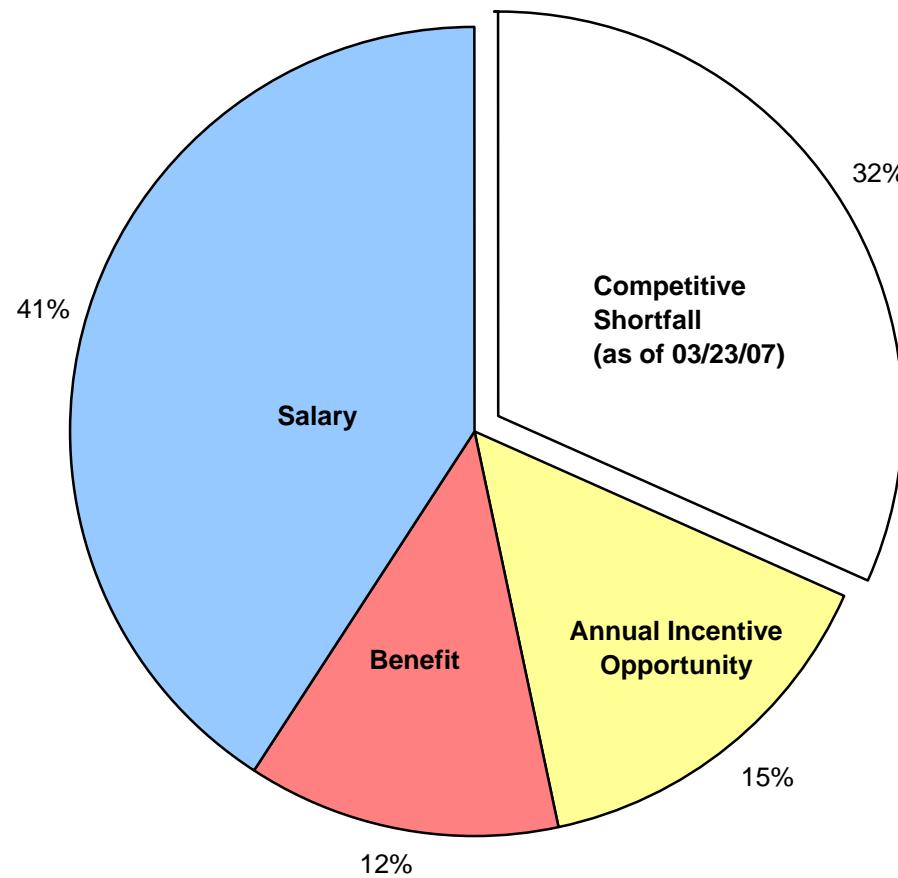
Delphi Executive Compensation Structure as of 03/22/07

Non-DSB



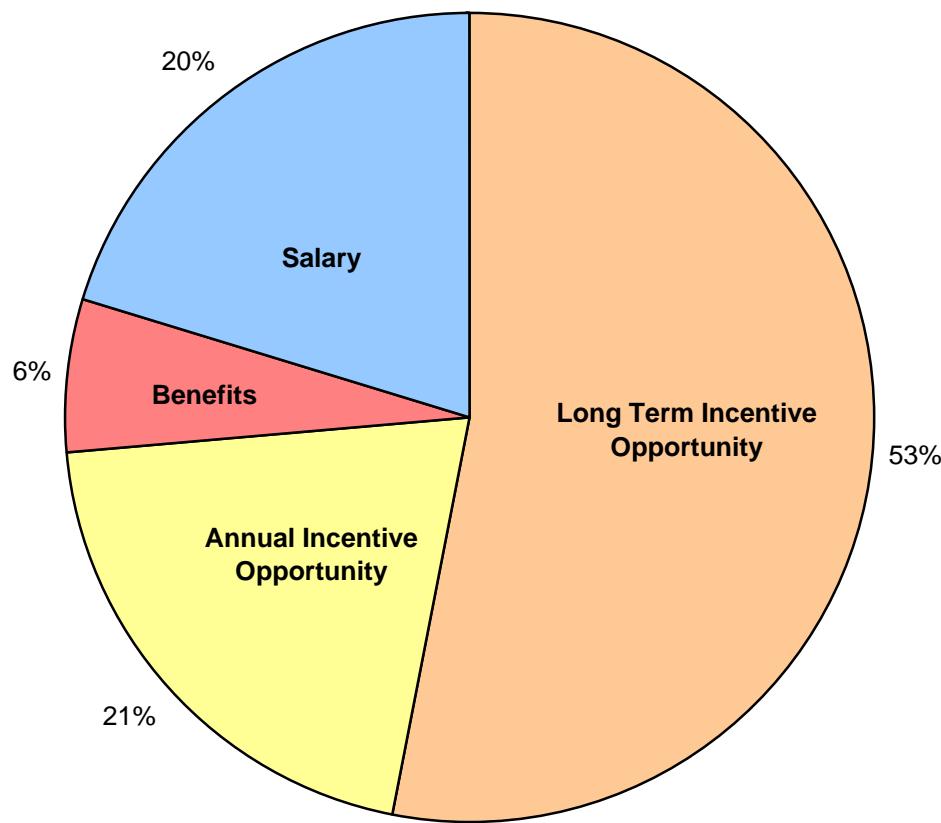
Delphi Executive Compensation Structure if First Half 2007 AIP Approved

Non-DSB



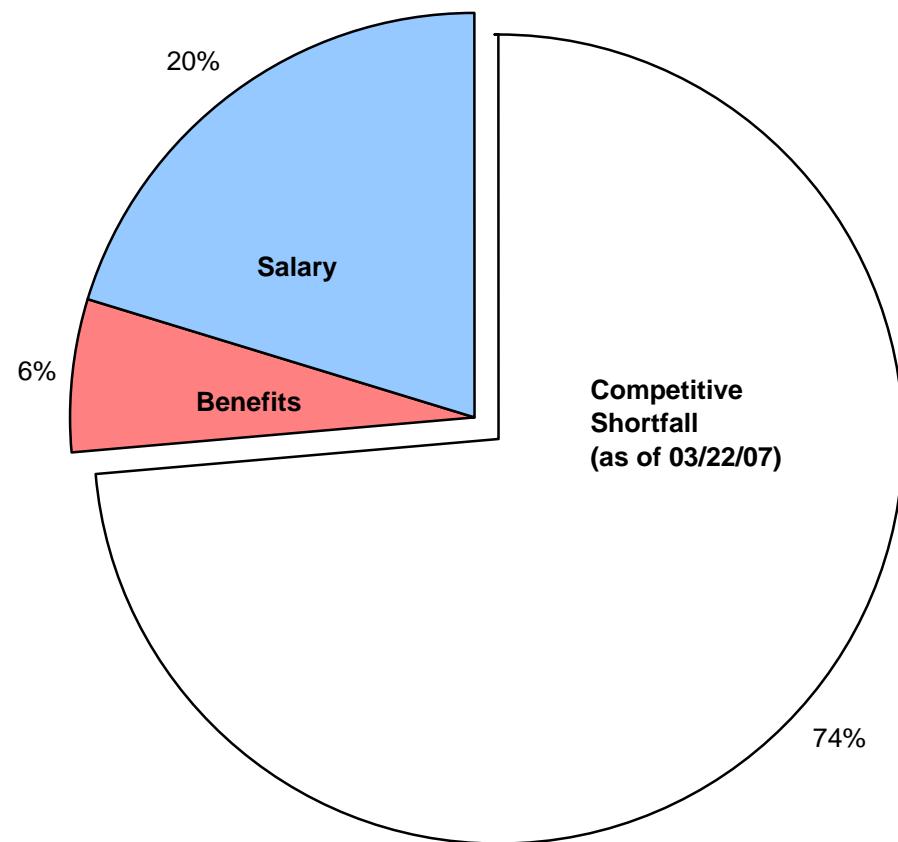
Historic Delphi Executive Compensation Structure

DSB



Delphi Executive Compensation Structure as of 03/22/07

DSB



Delphi Executive Compensation Structure if First Half 2007 AIP Approved

DSB

